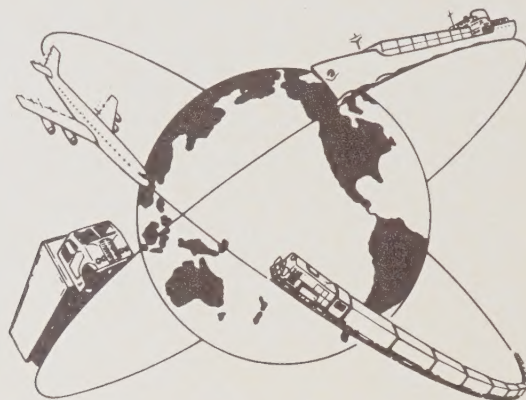


AR24

Thomas Nationwide Transport Limited

TNT 1974
ANNUAL REPORT



The 13th Annual Report to Stockholders for the year ended 30 June 1974

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Thomas Nationwide Transport Limited and Subsidiary Companies

Notice of Meeting

NOTICE is hereby given that the Annual General Meeting of the Company will be held at Brisbane Room, 1st Floor, Wentworth Hotel, 61-101 Phillip Street, Sydney, on 14 November 1974, at 12.30 p.m. (Sydney time).

(A) Ordinary Business

Accounts and Reports

1. To receive and consider the Balance Sheet of the Company at 30 June 1974, the Profit and Loss Account of the Company for the year ended on that date, together with Group Accounts of the Company and its Subsidiaries and the reports of the Directors and Auditors thereon.

Dividend

2. To consider the Directors' recommendation for and to declare a dividend.

Directors

3. To elect Directors—Mr. P. W. Allsebrook, Sir Arthur George, Mr. F. P. Golan and Mr. P. B. Thomson, appointed during the year, retire in accordance with Article 94 of the Company's Articles of Association and, being eligible, offer themselves for re-election.
4. To elect Directors—Mr. J. R. Cribb, O.B.E. and Mr. G. Rocky retire by rotation, in accordance with Article 101 of the Company's Articles of Association and, being eligible, offer themselves for re-election.

(B) Special Business

To consider and if thought fit, pass with or without variation the following resolutions as Special Resolutions, namely:

5. "That Sir Ian Potter, who is now aged 72 years, be reappointed a Director to hold office until the next Annual General Meeting of the Company."
6. "That the Articles of Association be amended by inserting after Article 161 the following additional Article:

'161a. Notwithstanding—

- (1) the rights attached to any issued share; or
- (2) any other provision of these Articles (including Article 161)

the Company in making a resolution pursuant to Article 161 may resolve that the provisions of this article shall apply and in such case the moneys investments and other assets to be capitalised and distributed amongst each of the entitled shareholders under Article 161 shall not include that proportion which (in view of the ratio of entitlement) would involve the allotment of a fraction of a share to any shareholder and no shareholder shall be entitled to any such fraction of a share or any payment in lieu thereof.'

Bonus Issue

To consider and if thought fit, pass with or without variation the following resolution as an Ordinary Resolution:

7. "That following upon the Directors' recommendation the Company capitalise and distribute, wholly and exclusively from the amount standing to the credit of the Share Premium Account, such sum as may be required to pay up in full at par the number of shares of 50 cents each in the capital of the Company involved in an allotment of shares to stockholders of the Company, applying the provisions of Article 161a., in the proportion of one share for each ten stock units of 50 cents each registered in the name of such stockholders at 5 p.m. on 22 November 1974, the Record Date; that the Directors be and they are hereby authorised and directed to appropriate and apply such sum on behalf of the stockholders in paying up in full at par such number of shares all of 50 cents each in the capital of the Company and to allot and distribute such shares credited as fully paid up to and amongst the stockholders of the Company in the proportion of one share of 50 cents each for each ten stock units of 50 cents each registered in the name of such stockholders at such time; that the shares so allotted and distributed shall rank for dividend *pari passu* with the existing shares as from 1 July 1974, provided that they shall not be entitled to participate in the dividend declared earlier in this Meeting."

By Order of the Board,
R. T. Patteson,
Secretary.

Sydney, 25 September 1974

APPOINTMENT OF PROXIES

1. A member entitled to attend and vote at the meeting called by this notice is entitled to appoint not more than two proxies to attend and vote instead of him; such proxies need not be members.
2. Where more than one proxy is appointed, each proxy must be appointed to represent a specified portion of the member's voting rights.
3. If a member wishes to appoint a proxy, the accompanying form of proxy (amended appropriately where the member is appointing more than one proxy to vote in respect of any resolution) should be completed and forwarded to reach the Company's registered office not later than 48 hours before the time for holding the meeting.

TNT Report in Brief

The Group Net Profit was \$7,091,944 (last year \$6,000,924), an increase of \$1,091,020 or 18.2%

Capital was increased during the year by the issue of 15,283,114 shares (4,074,000 in August, 1973 and 11,209,114 in January/March, 1974). Issued capital at \$23,221,557 increased by 49% on last year.

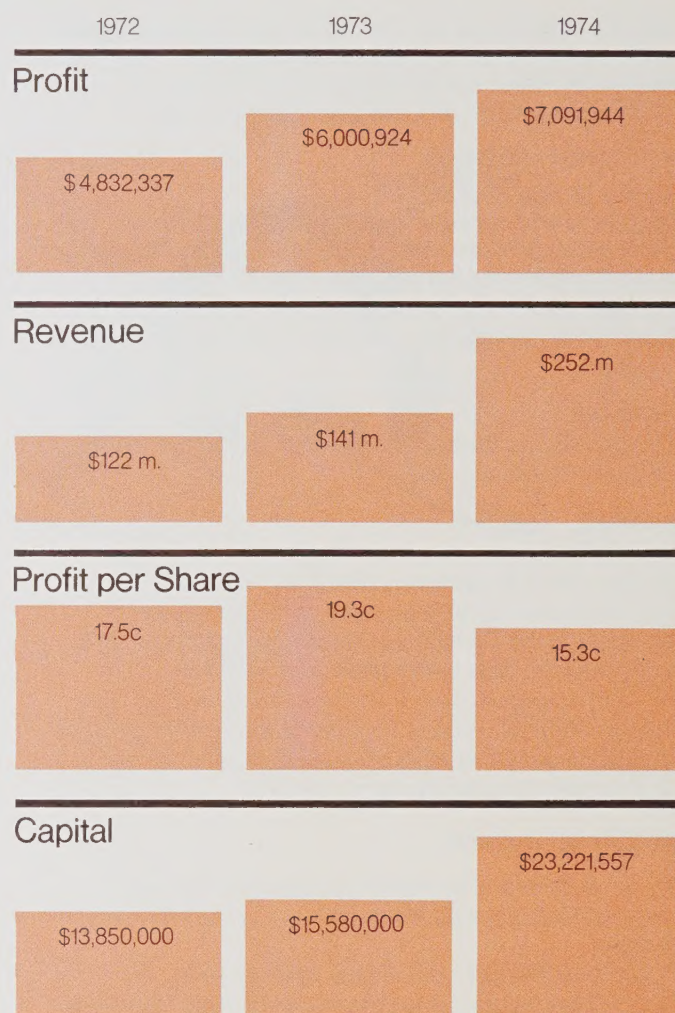
Earnings per share on end of year capital was 15.3 cents (last year 19.3 cents).

Dividend. The Directors recommend a final dividend of 8% which will make a total dividend for the year of 16% (8 cents per stock unit).

Profit covers dividend 2.15 times or 46.5% of the profit is distributed.

Net Tangible Asset backing is now 70 cents (last year 87 cents) a decrease of 17c per stock unit.

Growth. During the year the Company expanded its services in Australia, New Zealand, North America, Brazil, Singapore and Europe.



Financial Highlights

	1974 \$	1973 \$		1974 \$
REVENUE—Operations	249,215,611	138,556,044	SHAREHOLDERS' FUNDS	
NET PROFIT	7,091,944	6,000,924	Capital—Paid up	23,221,557
TAX PROVISION	7,615,506	5,500,974	Reserves	15,011,902
DEPRECIATION	4,582,169	2,832,589		<u>38,233,459</u>
EARNINGS PER SHARE			ASSETS	
On End of Year Capital	15.3c	19.3c	Cash, Debtors etc.	53,107,154
On Average Year Capital	18.2c	20.4c	Investments	22,437,062
DIVIDEND			Fixed Assets	52,526,503
Annual Rate	16%	16%	Intangibles	<u>5,572,867</u>
Amount per Stock Unit (50c)	8c	8c		133,643,586
Times Covered	2.15	2.4	LIABILITIES	
			Creditors, Provisions, Term Loans etc.	46,012,327
			Minority Interests	<u>1,147,554</u>
				95,410,127
			TOTAL NET ASSETS	<u>38,233,459</u>

The TNT Group

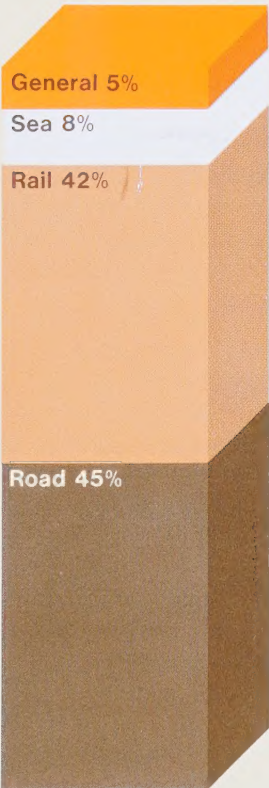
TNT is an international transport organisation. Its operations embrace five continents in significant trading areas of the world.

The Group places operational emphasis on a "total transport" concept. This provides a fully comprehensive range of transport services with door-to-door delivery of goods under the control of a single organisation. All forwarding formalities are covered by a single consignment note.

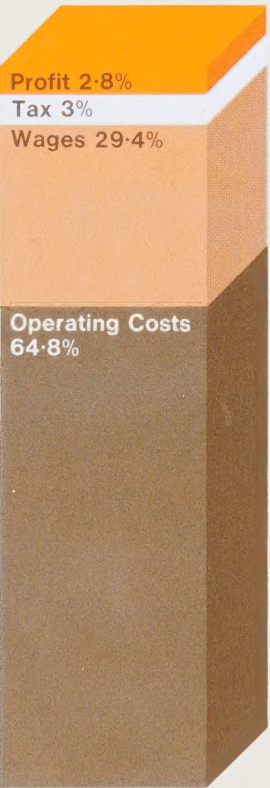
TNT's services and facilities include: the movement of general freight by rail, road, sea and air express freight forwarding, bulk cartage, local cartage, taxi trucks, courier services, armoured express and armed security (including payroll delivery and property protection), car carrying, refrigeration (embracing

refrigerated vans and cold storage warehouses), ancillary services including warehousing and distribution, stock receiving, recording and palletizing, bond and free store facilities. As an international freight forwarder, the TNT Group provides importers and exporters throughout the world with a total transport service embracing documentation and customs clearance formalities. The Group is an accredited I.A.T.A. agent for passengers and freight. Within the TNT Group there are now over 11,000 employees operating in Australia, New Zealand, U.S.A., Canada, Mexico, Brazil, Singapore, U.K. and Europe.

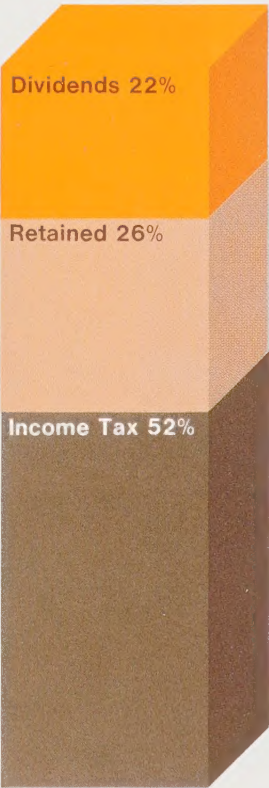
How Revenue was Earned



How Revenue was spent



Where did Profit go



Directors

F. W. MILLAR	Chairman
SIR PETER ABELES	Deputy Chairman & Managing Director
J. R. CRIBB, O.B.E.	Group General Manager
P. W. ALLSEBROOK	United Kingdom
H. FREEMAN	Canada
SIR ARTHUR GEORGE	Australia
F. P. GOLAN	Finance
J. B. HORROCKS	New Zealand
W. O. S. MARTIN	Brazil
SIR IAN POTTER	Australia
G. ROCKEY	Executive
K. G. SMITH	Australia
P. B. THOMSON	U.S.A.



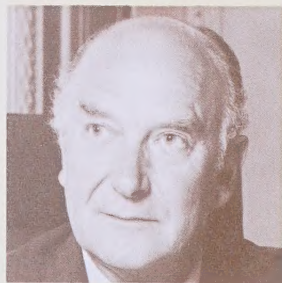
Frederick W. MILLAR



Sir Peter ABELES



J. Ross CRIBB, O.B.E.



Peter W. ALLSEBROOK



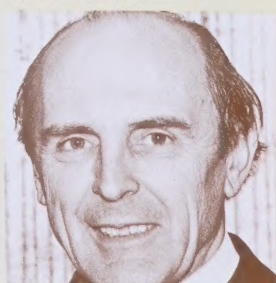
Harold FREEMAN



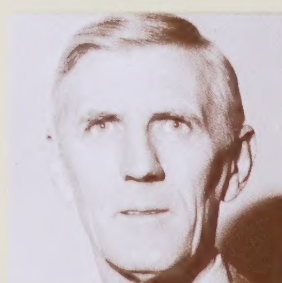
Sir Arthur GEORGE



Frederic P. GOLAN



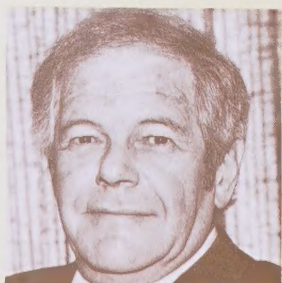
John B. HORROCKS



William O. S. MARTIN



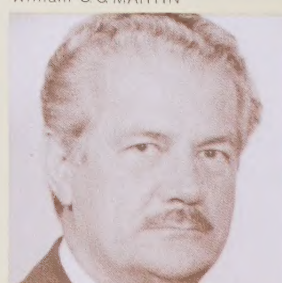
Sir Ian POTTER



George ROCKEY



Kenneth G. SMITH



Peter B. THOMSON

Directors' Report

Your Directors have pleasure in submitting to members the 13th Annual Report and Audited Accounts covering the affairs and financial position of the TNT Group of Companies for the year ended 30 June 1974.

GROUP REVENUE

Consolidated Group Revenue for the financial year advanced 78.8% to a record \$252,156,368 compared with \$140,990,293 for the previous financial year. Expressed in United States currency, Group revenue was \$US375,712,988 compared to \$US210,075,537 in the previous year (at current exchange rate).

GROUP NET PROFIT

Consolidated Net Profit of the Group for the financial year ended 30 June 1974 was \$7,091,944 an increase of \$1,091,020 over the 1972/73 year. Consolidated Net Profit includes the entitlement to profits of Associated Companies and is after allowing for minority interests and providing for income tax. The contribution of each Company in the Group to the Consolidated Net Profit is shown in Note 25 which forms part of the Directors' Report. TNT Group revenue and profit for the year to 30 June 1974 includes results of Acme Fast Freight Inc. and Overland Western Limited since the dates of acquisition. These were not included in the results for the year ended 30 June 1973.

EARNING RATES

Group Earning Rate on issued end-of-year capital was 30.5% (last year 38.5%), notwithstanding the issue of 15,283,114 shares during the year. On average capital for the year the earning rate eased to 36.4% (last year 40.8%) reflecting the increase in issued capital from bonus and cash issues which provided additional benefits for stock, option and noteholders. Earning rate on Stockholders' funds was 18.5% (last year 19.5%).

Earnings per share on end-of-year capital were 15.3 cents compared with 19.3 cents for the previous year. Earnings per share on average capital for the year were 18.2 cents compared with 20.4 cents for the previous year.

Expressed in United States currency, earnings per share on year-end capital were US 22.8 cents (last year US28.8 cents). On average capital for the year earnings per share were US27.1 cents (last year US30.4 cents).

DIVIDEND

The interim dividend paid March 1974 was 8%. Your Directors recommend a final dividend of 8% making a total dividend for the year of 16% (8 cents per stock unit). Although this is the same rate as last year,

stockholders have received an effective increase as a result of the bonus issue made in February 1974.

On higher capital, the dividend payout is \$3,298,845 an increase of \$806,045 over the previous year. Profit covers dividend 2.15 times and 46.5% of the profit is distributed. Your final dividend cheque will be sent to stockholders on 14 November 1974.

STOCKHOLDERS' FUNDS

During the year issued capital was increased by 49% to \$23,221,557 with the allotment of 15,283,114 shares. The increase was a result of the following issues:

August 1973	4,074,000	1 for 10 issue at \$1.25
January 1974	6,744,603	Options exercised at par
February 1974	4,197,861	1 for 10 bonus issue
March 1974	266,650	1 for 30 to noteholders at par
Total	15,283,114	Shares

After further write-down of the book value of intangibles by \$5,000,000, unappropriated profits of the Company and its Subsidiaries stand at \$4,227,990. The Group's share of Associated Companies Reserves increased by \$716,916 representing entitlement to profits less dividends received. Stockholders' funds were increased during the year by a total of \$7,391,227 being \$8,598,128 received from issue of shares and retained earnings of \$3,793,099 less \$5,000,000 intangibles written off. Stockholders' funds at end of year were \$38,233,459

PROPOSED BONUS ISSUE

In June 1974 your Directors announced a 1 for 10 bonus issue subject to stockholders' approval at the Annual General Meeting in November 1974. Option and convertible noteholders will have the right to exercise options and convert notes and thus to participate in the bonus issue.

Convertible noteholders who elect not to convert are to be offered an issue of shares on the basis of 1 for 30 at par. This will allow convertible noteholders, if they so wish, to maintain their equity in the Company at approximately the same level as at the time of issue of the convertible notes in 1973.

It is expected that the present dividend rate will be maintained on increased capital.

EQUITY METHOD

Group Accounts

The Consolidated Profit and Loss Statement for the current year includes our equity entitlement totalling \$716,916 in the profits and losses of the Associated Companies listed below:

ACTU-TNT Travel Pty. Limited	50%
Bulkships Limited	33.3%

Montan-TNT Pty. Limited	33.3%
Queensland Railfast Express Pty. Limited	50%
TNT-Shulman Airfreight International Pty. Limited	50%

Bulkships Limited has equity accounted for its 50% share of the profits of Seatainer Terminals Limited and Tasman Union Limited and on a dividend received only basis for its investment in R. W. Miller (Holdings) Limited.

Ansett Transport Industries Limited. The principles of equity accounting do not apply to our 23.4% investment in the Company and only dividends received are included in our results.

Parent Company Accounts. The decision to equity account for the profits of Associated Companies has been applied in the accounts of the Parent Company as well as bringing to account the entitlement to profits of subsidiary companies.

INTANGIBLE ASSETS

Intangible assets of the Group increased during the year by \$6,943,336 but these assets were reduced at the end of the year to \$5,572,867 by writing off \$5,000,000 against reserves. The increase in intangible assets arose from the acquisition of Overland Western Limited and other companies. In the accounts of the Parent Company the book value of shares in Subsidiaries has been reduced to \$5,058,908 by writing off \$2,193,476 against reserves. These reductions are in line with conservative accounting procedures and your Directors emphasize that, in their opinion, the value of the assets of the Group has not decreased.

PROVISION FOR DOUBTFUL DEBTS

Group policy is to write off bad debts against profits as and when they occur. Directors are satisfied that the provision of \$949,918 for doubtful debts is adequate.

DEPRECIATION

Properties. Group policy is to depreciate improvements on freehold land and to amortize the value of improvements on leasehold land over the period of the relevant lease. Such depreciation and amortization is tax deductible in all countries where we operate except Australia.

Equipment. Group policy is to charge depreciation for the different types of equipment to cover the life expectancy in line with their utilization.

FOREIGN CURRENCY

Re-alignment of foreign currencies occurring during the year (including the revaluation of the Australian dollar by 5% in September, 1973), has been taken into consideration in the valuation of our overseas investments and borrowings in foreign currencies.

This has resulted in a net surplus to the Group of \$81,198, of which \$80,000 was transferred to Provision for Currency Exchange Fluctuation, which now stands at \$930,000.

Accounts are shown in Australian dollars. Foreign currencies were converted at ruling rates applicable on 30 June 1974. With operations in a number of countries, and internationally, the exposure to foreign exchange risk is constantly monitored.

GROUP OBJECTIVES

The objective and philosophy of the Group is to service, efficiently, our clients and the communities in which we operate; to ensure acceptable earnings from established revenues in all areas of operation; to secure linehaul operations on all important routes in areas of activity; and to integrate all networks on a door-to-door basis providing fast, efficient freight transport at reasonable rates.

The Group has significant operations in Australia, Canada, the United States of America, New Zealand and Brazil as well as lesser operations in the United Kingdom, Europe and Singapore. Expansion into these areas has provided bases from which the Group can develop as an international operator with strong local management teams.

The emphasis on management continues as a high and uniform priority. Management structure, lines of responsibility and reporting systems are reviewed constantly to ensure proper operational and management control over all activities.

The major transport markets in which we are established give the Group substantial growth potential. The largest market of our international operations is in North America. To assist the Boards of Directors and local management, separate National Head Offices have been established for Canada and the United States.

The Group International Head Office located in Sydney controls overall activities, assisted by Senior Executives and Directors resident in each country or major centre of operations.

OPERATIONS

In the 1973-74 financial year the Group further consolidated its position as a worldwide transport organisation, and operations outside Australia contributed more than half of total Group revenue for the first time. This confirms the direction of our main growth in recent years and is the culmination of the first stage in our Group expansion programme.

Our ability to absorb higher wage costs, petrol prices and service charges, through improved productivity, has been tested fully during the year under review.

Like all industry, we have had no alternative but to seek rate increases to cover higher costs, although we

are continuing to make every effort to meet this challenge through higher efficiency. Substantial delays in delivery of new equipment have introduced a new dimension into our capital expenditure programme. This is common to many industries, but is of special significance to an expanding industry providing services to a large number of customers. Our plans for new equipment were advanced to meet our requirements. Problems such as cost increases and delays in equipment procurement are industry wide. Our emphasis on strong, in-depth management, and the proven record of these people, places the Group in a comparatively favourable position in meeting industry problems.

AUSTRALIA

A large undercover terminal for our Kwikasair operation in Sydney was completed in August 1974. This represents a further step in our programme for the construction of new terminals, to improve efficiency and service to customers. During the year the "Jumbo Van", the largest lift on/ lift off road/rail container in service in the world was introduced in the TNT/Alltrans Divisions. This achievement is another transport "first" by the Group, and illustrates our innovative role in the industry. The "Jumbo Van" was designed as part of a total materials handling system; it combines with our modern gantry facilities to improve the TNT/Alltrans container train efficiency at major capital cities. Towards the end of the financial year a rail express service was launched between Sydney and Perth, thus completing the TNT Group capital city express network throughout Australia.

Armoured Express Division

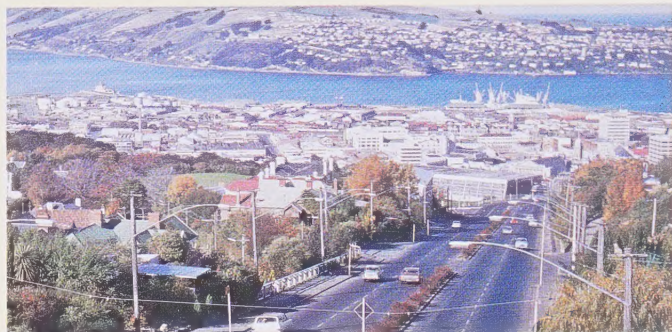
The Armoured Express Division continues to expand with established branches in capital cities. The activities of the Division, which include Computer Payroll Systems covering personnel earnings and Taxation Group Certificates, have been extended to include Security and Property Protection Services.

TNT Courier Service

Our Courier Service now includes door-to-door express airfreight delivery and operates in all capital cities.

NEW ZEALAND

There was a marked growth in all operating divisions of the Alltrans Group during the year. A keen demand for the services of the International Division, primarily on the Trans-Tasman service to Australia, has necessitated the extension of operational facilities in this area.

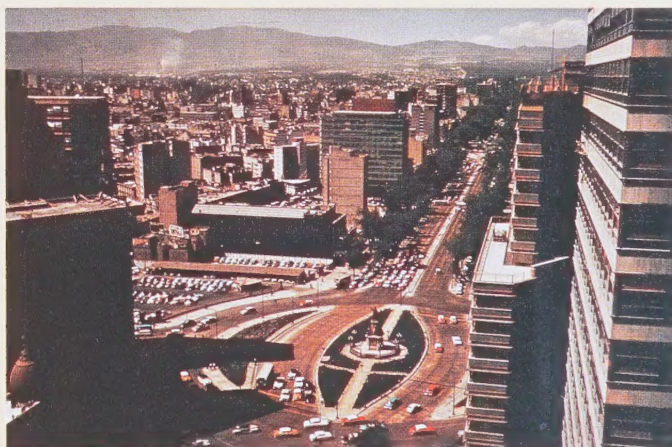


Dunedin, New Zealand.

The rail and coastal divisions of Alltrans Express moved into substantial new terminals in various main locations and plans have been formulated for future early expansion in other areas. Plans were also finalised for the development of first class, main-centre-location facilities for Kwikasair.

U.S.A.

The major development during the year was the acquisition of Acme Fast Freight Inc., one of the largest individual freight forwarders in the United States. Efforts of local management, supported by Group Head Office have made this enterprise profitable much sooner than planned. Whilst profits are modest relative to annual revenue of around \$US60 million, this early achievement is very gratifying and the profitable trend should continue.



Mexico City, Mexico.

A combination of strong sales efforts, tight management control, maximum use of existing facilities and provision of better facilities where needed, is expected to expand revenue and improve return.

Ability to handle overseas freight is one of the major strengths of our U.S. operations, and early steps have been taken to expand the International Division. A Kwikasair division has been formed as a complementary service.

Following confirmation of Acme's profitable trend, your Directors decided that the Provision for Acme Reorganisation of \$3,000,000, created during the year, was no longer required. This provision has been written back to Group unappropriated profits and the earnings of Acme since acquisition on 1 August 1973 have been consolidated in the Group results.



Hank Ferro—
President
Acme Fast Freight Inc.

The operations in California of Alltrans Express have been reduced since the end of the year by the sale of the rights to carry freight between San Francisco and Los Angeles together with the assets used in connection therewith. That business was losing significantly and was difficult to manage. The acquisition of Acme gave us the opportunity to dispose of the loss-making intercity business of Alltrans Express whilst retaining the residue to complement Acme's activities.



Peter Gearin—
Vice-President and Treasurer,
Acme Fast Freight Inc.

Our emphasis on rail forwarding in the United States has been beneficial during a period of increased petrol costs, highway restrictions, fuel shortages and delays in equipment procurement.

CANADA

The acquisition of Overland Western Limited during the year further extended the comprehensive Group freight forwarding network in Canada and provided a valuable link into the United States. In December 1973 the Group entered into an agreement to acquire all of the shares of Champlain Sept-Isles Express Inc., Eastern Asbestos Interprovincial Inc. and Montmorency Diesel Inc., and management control was assumed in March 1974 pending Regulatory



Cam Carruth—
President
Alltrans Group of Canada Ltd.

Board approvals, which have since been received. The acquisition extends the Group's services from Ontario to most major centres in Quebec.

The services of Alltrans Express in Canada were extended to additional points in British Columbia following the acquisition of Carson Truck Lines Ltd. in January 1974.

Interstate Commerce Commission approval for a new service from Vancouver to Seattle was received in May 1974 and operations on this additional valuable link into the United States began on June 17. Development of this service has commenced but it will be some years before satisfactory returns can be expected.



Toronto, Canada.

Emphasis is on the build-up of transcontinental freight volume and maximisation of the potential offered by licences to carry to and from the United States. Our combined Canadian operation accounts for \$A53,348,274 revenue.

BRAZIL

Our confidence in the management team in Brazil is reflected in the continued expansion of this operation. The acquisition of Transportadora Roda Branca Ltda. and subsidiary, Transportes Ristar S.A., during the year, extended our services to the north and north-east of Brazil. Additionally, the Group has broadened its activities in this dynamic country with the

establishment of a Kwikasair overnight service which is showing promising results.

New terminals established in Porto Alegre and Rio de Janeiro and proposed new terminals in Sao Paulo and Recife will improve efficiency and substantially increase handling capacity.

A strong market in international freight on the South American coast offers large transport potential. The Group is currently examining the feasibility of running RO/RO ships between Santos, Rio de Janeiro and Buenos Aires.



Recife, Brazil.

SINGAPORE-ASIA

We are pleased to report that a leading Singapore Public Company, Cycle & Carriage Limited, has acquired a 30% equity in Alltrans Express (Singapore) Private Limited.

Our presence in the local cartage field has been strengthened by the merger of the Cycle and Carriage Limited transport operation with ours. The Company now operates one of the largest fleets of container haulage vehicles in Singapore.

Management in this area was strengthened with the appointment, during the year, of Mr. Ken Brown as Resident Director, South-East Asia.

EUROPE-UNITED KINGDOM

You are aware that during 1973 we formed a Kwikasair subsidiary in the United Kingdom and in France with a view to entering the forwarding business between the United Kingdom and the Continent. Originally we owned 60% of that subsidiary, but our interest has now been increased to 70%.

These subsidiaries commenced business in October but to date have not been a success. To some extent this is due to the adverse economic conditions prevailing in the United Kingdom; but to some extent it is due to the fact that our philosophy of business was wrong in the current European environment. Losses in the business have exceeded expectations. We are now re-shaping the business, withdrawing from

short-distance parcel transport and placing much greater emphasis on long-distance operations. Our establishment had been geared to fast growth in traffic which, partly due to machinery problems in relation to customs, did not eventuate. We have reduced the operation to a size suitable for the present phase of the business.

Our approach to this operation is still flexible—we shall see how it develops. It is small enough to vary readily.

The Chief Executive, Mr. Paul Brown, and his staff have done their utmost under most difficult circumstances. We extend to them our appreciation.

ASSOCIATED COMPANIES

Ansett Transport Industries Limited

During the year our links with this leading Australian Company were further strengthened by the appointment of Mr. F. W. Millar to the Ansett Board. This followed the appointment of Sir Peter Abeles during the previous year. Our investment of \$11,507,645 in Ansett (23.4% interest) is regarded by your Directors as a valuable and significant holding in a major complementary transport enterprise.

Montan-TNT Pty. Limited

In the first full year of operation 610,000 tonnes of freight was fixed and shipping tonnage in the vicinity of 5,000 tonnes sold. Several major contracts are now being worked and the prospects for the 1974/75 financial year are good.

Since the end of the financial year the Hapag-Lloyd interest in Montan-TNT Pty. Limited has been acquired by TNT and Montan Transport GmbH, thus increasing the TNT equity to 50%.

Queensland Railfast Express Pty. Limited

Since its establishment in March 1973, this Queensland Company has developed satisfactorily and continues to offer a comprehensive intrastate freight service. The floods in Queensland in January resulted in minimal damage to its terminals, but adversely affected trading results in the early part of the year.

ACTU-TNT Travel Pty. Limited

This jointly owned Company made limited progress during the year and is currently looking to strengthen its links with major operators in this highly competitive industry.

Bulkships Limited

Since the end of the financial year the TNT Group has increased its equity in Bulkships Limited from 33⅓% to 50%. The cost of the additional 16⅔% was \$4.5 million approximately. This increased participation in Bulkships reflects our confidence in the future of the shipping industry in Australia.

STAFF

The Directors express their appreciation to the men and women throughout the Group for their continuing efforts and contribution to the Group's growth and success.

STATUTORY INFORMATION

The following information is supplied to meet the requirements of Section 162 (A) of the Companies Ordinance 1962-1973.

(a) The names of the Directors of Thomas Nationwide Transport Limited in office at the date of this report are—

Frederick William MILLAR

Sir Peter ABELES

(alternate—Neville Austin Grace)

John Ross CRIBB, O.B.E.

(alternate—Donald Martin Dick)

Peter Winder ALLSEBROOK

Harold FREEMAN

(alternate—Morley Koffman)

Sir Arthur GEORGE

Frederic Paul GOLAN

(alternate—Ian Francis Shortell)

John Brownlow HORROCKS

(alternate—Owen Terence Hannigan)

William Oswald Somerville MARTIN

Sir Ian POTTER

George ROCKEY

Kenneth Gregory SMITH

(alternate—Robert Charles Elliott)

Peter Boyne THOMSON

(b) the principal activities of the corporations in the Group in the course of the financial year were the carriage and transport of goods, storage and warehousing of dry and frozen goods, payroll delivery services, customs agents, investment in other companies and property owners.

(c) The consolidated net profit of the Group for the financial year ended 30 June 1974, including the entitlement to profits of associated companies and after provision for income tax and the deduction of amounts attributable to minority stockholders was \$7,091,944. The extent to which each corporation in the Group contributed to the consolidated net profit or incurred losses, which were taken into account in arriving at the consolidated net profit, is shown in the schedule which appears on pages 29 and 30 of this report and which forms part of the Directors' Report.

(d) During the year the following subsidiaries were acquired.

	CONSID- ERATION A\$	NET TANGIBLE ASSETS A\$	EXTENT OF INTEREST %
Transportadora Roda Branca Ltda. and subsidiary			
Transportes Ristar S.A.	533,897	425,913	70
Carson Truck Lines Ltd.	393,259	157,586	100
Champlain Sept-Isles Express Inc.	1,063,565	NIL	99
Eastern Asbestos Interprovincial Inc.			
Montmorency Diesel Inc.			
Overland Western Limited and subsidiaries			
Oxford Tire Ltd.			
Trojan Freight Lines Ltd.			
G.W.A. Incorporated			
Overland Express Inc.	8,468,957	4,265,690	99
Overland Western International Inc.			
Champion Leasing Corporation	272,775	267,369	100
Victory Transportation Service Inc.			
Acme Fast Freight Inc. and subsidiaries			
Acme Fast Freight Canada Ltd.			
Fletes Acme S.A.	NIL	NIL	100

During the year the following subsidiaries were incorporated—

Kwikasair Encomendas Urgentes Ltda.
T.N.T. (H.K.) Ltd.
Transport Development Finance Corporation S.A.
Alltrans Express Ltd. and subsidiaries
Kwikasair Ltd.
Kwikasair (France) S.A.

Subsidiaries (non-operating) disposed of were—

	DISPOSAL PRICE A\$	NET TANGIBLE ASSETS A\$	EXTENT OF INTEREST %
Alltrans Forwarders Inc.	—	—	100
Transall Motor Freight Limited	2	2	100

Following the transfer of their assets and liabilities to other corporations within the Group, the subsidiaries listed below were liquidated—

Organizacao Total De Transportes Ltda.
Champion Leasing Corporation
Victory Transportation Service Inc.

(e) Material Transfers to or from reserves or provisions during the financial year were—

Parent Company

Transfers to—

Share Premium Reserve—premium on shares issued \$3,055,500

Associated Companies Reserve—equity entitlement to profits \$716,916

Subsidiary Companies Reserve—equity entitlement to profits \$66,847

Transfers from—

Share Premium Reserve—Bonus Issue of 1 for 10 to Stockholders \$2,098,930

An amount of \$3,000,000 was set aside to cover anticipated losses following the acquisition of Acme Fast Freight Inc. whilst extensive reorganisation and rationalisation took place. Trading results since this date have determined that further retention of this provision is unnecessary and the amount has been written back to unappropriated profits.

(f) During the year Shares Issued were—

Parent Company

Issued 4,074,000 ordinary shares of 50c each at a premium of 75c per share payable in cash. The issue was on the basis of one new share for each ten shares or options, or thirty convertible notes held.

Issued 6,744,603 ordinary shares of 50c each at par payable in cash. The issue of one share for each option held was made to the holders of options who exercised their rights following the announcement of a proposed bonus issue.

Issued 266,650 ordinary shares of 50c each at par payable in cash. The issue of one share for each thirty convertible notes was made to the holders of convertible notes

The above issues were made for the purpose of supplying additional working capital to assist with the Group's expansion both in Australia and overseas.

Issued 4,197,861 ordinary shares of 50c each by way of a bonus issue of shares. The issue was on the basis of one new share for each ten shares held.

Subsidiary Companies

Shares were issued in the following subsidiary Companies for cash for the purpose of establishing or increasing permanent working capital.

NAME OF SUBSIDIARY	CLASS OF SHARES ISSUED	No. OF SHARES ISSUED
TNT Transportes Ltda. and subsidiaries	Cr\$1 Ordinary	7,331,400
Organizacao Total de Transportes Ltda.	Cr\$1 Ordinary	640,000
Transportadora Pampa S.A.	Cr\$1 Ordinary	10,500,000
Kwikasair Economendas Urgentes Ltda.	Cr\$1 Ordinary	1,200,000
Alltrans Holdings (Canada) Ltd. and subsidiaries	C\$1 Common	900,000
Alltrans Holdings (Ontario) Ltd.	C\$100 Pref.	10,000
Kwikasair Ltd.	C\$1 Common	157 250
T.N.T. (H.K.) Ltd. and subsidiary	HK\$1 Ordinary	50,000
Transport Development Finance Corporation S.A.	US\$100 Bearer	100
Alltrans Express (Singapore) Private Ltd.	S\$1 Ordinary	108,373
Alltrans Express Ltd. and subsidiaries	Stg£1 Ordinary	500,000
Kwikasair Ltd.	Stg£1 Ordinary	10,000
Kwikasair (France) S.A.	F.Fr100 Ordinary	1,000
Acme Fast Freight Inc.	US\$100 Common	4,900

(g) The Directors of the Holding Company recommend a final dividend of 8% absorbing \$1,889,485 out of profit for the year ended 30 June 1974, payable November 1974. This amount includes the dividend entitlement on 794,000 shares issued since the end of the financial year.

During the year the 8% dividend recommended by Directors in the 1973 Annual Report of \$1,246,400 was paid in November 1973 and an interim dividend of 8% absorbing \$1,409,360 was paid on 29 March 1974.

(h) Dividends which have been declared or paid in favour of the Parent Company by subsidiary companies since the end of the previous financial year, and up to the date of this report, are disclosed in Note 24 of the accounts.

(i) Before the accounts of the Holding Company were made out, the Directors took reasonable steps to ascertain, so far as debts owing to the Company are concerned, what action had been taken in relation to the writing off of bad debts and the making of provisions for doubtful debts and to cause all known bad debts to be written off and adequate provision to be made for doubtful debts.

(j) At the date of this report, the Directors are not aware of any circumstances that would render the amount written off for bad debts or the amount of the provision for doubtful debts, in the Group of Companies, inadequate to any substantial extent.

(k) Before the profit and loss account and balance sheet were made out the Directors took reasonable steps to ascertain that the current assets of the Holding Company were likely to realise in the ordinary course of business, their value as shown in the accounting records of the Company.

(l) At the date of this report the Directors are not aware of any circumstances which would render the values attributed to current assets in the Group accounts, misleading.

(m) In the interval between the end of the financial year and the date of this report, the Parent Company has increased its holding in Bulkships Limited to 50% of the issued capital of that Company. In accordance with the agreement for the acquisition of the shares, charges to secure a total amount of \$2,530,000 have been given in favour of the respective vendors over part of the shares acquired. The Parent Company has also given a further undertaking in proportion to its new shareholding indemnifying the vendors for guarantees given for certain borrowings of Bulkships Limited and its associated Companies. The amount of the additional unsecured contingent liability is \$755,562.

(n) No contingent or other liability of any corporation in the Group has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which in the opinion of the Directors of the Holding Company will or may affect the ability of the Corporation to meet its obligations as and when they fall due.

(o) At the date of this report the Directors are not aware of any circumstances not otherwise dealt with in the report or Group accounts, that would render any amount stated in the Group accounts misleading.

(p) The results of the operations of the Group or of a corporation in the Group during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature, not already mentioned in this report.

(q) In the interval between the end of the financial year and the date of this report there has not arisen any item, transaction or event of a material and unusual nature not already mentioned in this report likely, in the opinion of the Directors, to substantially affect the results of the operations of any corporation in the Group during the next succeeding financial year.

(r) Options have been granted entitling optionholders the right to take up, for each option held, one share in Thomas Nationwide Transport Limited on payment of 50 cents, being par value of the share. The holders can exercise their options as to 76,983 options not later than 24 October 1974, and 92,914 options not later than 3 July 1975. Optionholders are entitled to participate pari passu with stockholders in any new issue of ordinary shares or options made for cash, prior to the last date by which they may exercise their options. The registered holders of options have the right to exercise their options in the event of the Company determining to make a bonus issue of shares to its stockholders.

During the financial year 6,744,603 shares of 50 cents each at par were allotted by virtue of the exercise of options.

(s) Since the end of the previous financial year, certain Directors of the Holding Company have received a benefit other than a benefit included in the aggregate amount of emoluments received shown in the accounts.

Legal fees were paid during the year in the normal course of business to firms in which Directors are members.

Director	Firm
H. Freeman	Freeman & Company
M. Koffman (Alternate)	
J. B. Horrocks	Rudd, Garland & Horrocks
Sir Arthur George	Arthur T. George & Co.

Signed at Sydney this 25th day of September 1974, in accordance with a resolution of Directors.

F. W. MILLAR
Chairman

E. H. P. ABELES
Managing Director

Message from the Managing Director



Although the past year has thrown out new challenges to industry all round the world, the TNT Group has again recorded a period of substantial achievement in the transport task. Once again our people have worked together in a spirit of adventure and determination which has enabled us to continue as a leader and innovator in the highly demanding transport industry.

More people have joined us as a result of several acquisitions and I believe we are learning things from each other which make the TNT Group stronger still as we enter a new financial year in an even tougher economic climate. I feel it a great privilege to work with such an enthusiastic and resourceful team of people.

During the year under review in this annual report several factors beyond our control severely tested our management. The most notable were indirect effects of general industrial unrest throughout industry (though the TNT Group's record of good employee relations was outstanding), the fuel 'crisis', lengthy delays in deliveries of new equipment, and rapidly rising costs. The profit and balance sheet figures shown elsewhere reflect the large degree of success of our people in tackling these problems.

It is appropriate to note also the support given by our stockholders and noteholders in providing new funds during a very uncertain investment period in capital markets. I am grateful for their expression of confidence in the people who are making things happen throughout the TNT Group.

Unquestionably the biggest problem we now face is the effects of inflation. At present rates it has a potential to seriously erode standards of living by chewing into the real values of employees' wages and salaries and of dividends and other investment returns. It will require the combined willpower of the entire community, an honest and conscious co-operation between employers and employees to overcome rampant inflation and eliminate the threat it poses to the standards of living we have all worked hard to achieve.

TNT people have always exceeded my expectations. I suggest that we all join together in a determined effort to fight against inflation; exercising restraint, improving productivity and making sacrifices if necessary to achieve real gains in the medium and longer term. This effort by TNT Group people, stockholders and employees pulling together, will continue our pattern of leadership in our industry and in the communities where the TNT Group operates.

The year ahead will not be easy, but I am confident I will see more growth and achievement by the TNT Group during the period.

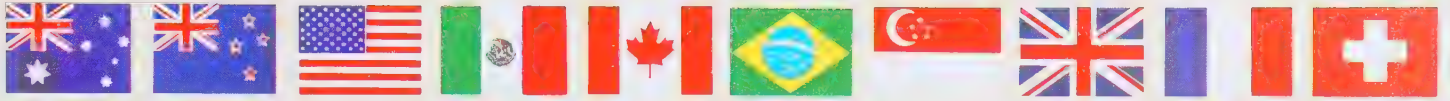
A handwritten signature in dark ink, appearing to read 'P. Chapman', with a long, sweeping flourish extending upwards and to the right.

Areas of Operation



Main Operational Centres

AUSTRALIA Brisbane Sydney Canberra Melbourne Adelaide Perth Darwin Launceston Hobart Cairns Townsville Rockhampton Mackay Wollongong Newcastle	NEW ZEALAND Auckland Wellington Dunedin Invercargill Christchurch Hamilton Timaru Oamaru Palmerston North New Plymouth	Maryborough Bundaberg Mt. Isa Alice Springs	U.K.-EUROPE London Paris Geneva	BRAZIL Rio de Janeiro Sao Paulo Porto Alegre Belo Horizonte Campinas Maringa Ribeirao Preto S.J. Do Rio Preto Novo Hamburgo Juiz de Fora	Londrina Maringa Curitiba Salvador Joao Pessoa Recife Fortaleza Natal Maceio Aracaju Belem Anapolis	CANADA Vancouver Montreal Ottawa	Toronto London Winnipeg Calgary Edmonton Kelowna Prince George Burns Lake Houston Terrace Prince Rupert Mississauga Barrie Oshawa Hamilton St. Catharines Buffalo
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TNT operates in many cities throughout the world



Honolulu



Wellington



London



Singapore

By courtesy of the Ministry of Culture, Singapore

Statutory Items-Statements and Report

Statement by Directors

IN THE OPINION OF THE DIRECTORS OF THOMAS NATIONWIDE TRANSPORT LIMITED

(a) the accompanying Profit and Loss account is drawn up so as to give a true and fair view of the profit of the Company for the year ended 30 June 1974; and

(b) the accompanying Balance Sheet is drawn up so as to give a true and fair view of the state of affairs of the Company as at 30 June 1974.

IT IS ALSO THE OPINION OF THE DIRECTORS that the accompanying Group Accounts of Thomas Nationwide Transport Limited and its subsidiary companies are drawn up so as to give a true and fair view of

(a) the profit of the Company and profit or loss of its subsidiaries for the year ended 30 June 1974; and

(b) the state of affairs of the Company and its subsidiaries as at 30 June 1974.

For and on behalf of the Board of Directors by authority of a Resolution of the Directors.

Dated this 25th day of September 1974.

F. W. MILLAR

Director

E. H. P. ABELES

Director

Statement by Principal Accounting Officer

I, Allen Ernest Eltoft, being the officer in charge of the preparation of the accounts and the Group accounts of Thomas Nationwide Transport Limited, state that to the best of my knowledge and belief, such accounts give a true and fair view of the matters required to be dealt with by Section 162 of the Companies Ordinance 1962-1973.

Dated this 25th day
of September 1974.

A. E. ELTOFT, F.C.A.

Group Chief Accountant

Auditors' Report to members of Thomas Nationwide Transport Limited

In our opinion,

the accompanying accounts and group accounts, set out on pages 18 to 30, are properly drawn up in accordance with the provisions of the Companies Ordinance 1962-1973 and so as to give a true and fair view of

- the results of the company for the year ended 30 June 1974 and the state of its affairs at that date;
- the matters required by Section 162 of that Ordinance dealt with in the accounts and in the group accounts,

there is no defect or irregularity in or omission from the accounts or the group accounts and the accounting and other records and the registers required to be kept

- by the company have been properly kept in accordance with the provisions of that Ordinance
- by each of the Australian subsidiaries for which we acted as auditors have been properly kept in accordance with the provisions of that Ordinance or of

the corresponding law of the State or Territory of the Commonwealth in which it is incorporated.

We have examined the accounts and the auditors' reports of those subsidiaries which have not been audited by us which are set out in Note 25 to the accounts.

We have received the information and explanations we required and are satisfied that the accounts of the subsidiaries, all of which have been consolidated, are in form and content appropriate and proper for the purposes of the preparation of the group accounts.

The report of the auditors of Alltrans Express Limited was made subject to the following qualification, namely,

"The French subsidiary company, Kwikasair (France) S.A. commenced operations in October 1973. During the period from incorporation proper books of account were not kept by that company in that adequate internal control procedures were not maintained in certain areas to ensure the proper recording of all transactions. The Directors are of the opinion that it is not practicable to reconstruct the relevant records and that any attempt to do so would not now result in the recovery of any amounts material to the loss for the period. Accordingly, we have been unable to obtain all the information and explanations required to enable us to form an opinion as to the identification of the items comprising the loss or whether there are any material respects in which the items shown in the profit and loss account are affected by circumstances of an exceptional or non-recurrent nature.

With the above reservation, in our opinion, the accounts and notes on pages 5 to 12, so far as concerns members of the company, give a true and fair view of the state of affairs at 30 June 1974 of the company and of the group, and of the loss of the group for the period ended on that date, and in all other respects comply with the Companies Acts, 1948 and 1967."

We have considered the above statement of the auditors of Alltrans Express Limited in relation to the group accounts and we are of the opinion that the inability to identify the components of the loss of Kwikasair (France) S.A. does not affect the result for the year disclosed by the group profit and loss account.

None of the reports of the auditors on the accounts of the remaining subsidiaries was made subject to any qualification or included any reference to any deficiency required to be reported by them.

HUNGERFORDS

E. D. CAMERON

Partner

Chartered Accountants

Sydney—8 October 1974.

**Thomas Nationwide Transport Limited
and Subsidiary Companies**

Consolidated Profit and Loss Statement for year ended 30 June 1974

	1974 \$	1973 \$
INCOME		
Trading Operations	249,215,611	138,556,044
Dividends Received—Other Companies	811,346	822,848
Other Income	578,181	187,379
Entitlement to Profits of Associated Companies Before Tax (Note 11)	1,551,230	1,424,022
	<u>252,156,368</u>	<u>140,990,293</u>
EXPENDITURE		
General Operating Expenses	228,392,012	124,690,617
Interest	3,297,590	1,609,658
Depreciation and Amortisation (Note 13)	4,582,169	2,832,589
Bad Debts Written Off—Trade	271,159	195,342
Provision for Doubtful Debts—Trade	378,227	88,242
Directors' Fees (Note 14)	15,000	15,000
Auditors' Remuneration (Note 15)	373,575	187,809
Provision for Long Service Leave and Retiring Benefits	495,499	177,817
	<u>237,805,231</u>	<u>129,797,074</u>
PROFIT BEFORE TAX	14,351,137	11,193,219
Deduct:		
Provision for Taxation (Note 16)	7,615,506	5,500,974
	<u>6,735,631</u>	<u>5,692,245</u>
Deduct:		
Interest of Minority Shareholders (Note 17)	59,173	135,347
	<u>6,676,458</u>	<u>5,556,898</u>
PROFIT AFTER TAX	6,676,458	5,556,898
Add:		
Extraordinary Items (Note 18)	415,486	444,026
	<u>7,091,944</u>	<u>6,000,924</u>
NET PROFIT FOR YEAR (Refer Note 25)	7,091,944	6,000,924
Add:		
Balance from Prior Year	6,151,807	7,135,171
Transfer from Provision for Acme Reorganisation (Note 19)	3,000,000	—
	<u>16,243,751</u>	<u>13,136,095</u>
AVAILABLE FOR APPROPRIATION	16,243,751	13,136,095
Deduct		
Transfer to Associated Companies Reserves (Note 9)	716,916	491,488
Transfer to Provision for Acme Reorganisation (Note 19)	3,000,000	—
Amount Written Off Intangibles	5,000,000	4,000,000
Dividends—Interim 8%	1,409,360	1,246,400
—Proposed Final 8%	1,889,485	1,246,400
	<u>12,015,761</u>	<u>6,984,288</u>
TOTAL APPROPRIATIONS	12,015,761	6,984,288
UNAPPROPRIATED PROFITS CARRIED FORWARD	<u>4,227,990</u>	<u>6,151,807</u>

ANALYSIS OF NET PROFIT

Parent Company and Subsidiaries	6,375,028	5,509,436
Associated Companies (in excess of dividend)	716,916	491,488
NET PROFIT FOR YEAR	<u>7,091,944</u>	<u>6,000,924</u>

Consolidated Balance Sheet at 30 June 1974

ASSETS		
	1974 \$	1973 \$
CURRENT ASSETS		
Cash at Bank and in Hand	791,890	580,324
Cash on Deposit	2,637,411	—
Accounts Receivable (Note 1)	39,484,062	20,467,938
Prepayments and Security Deposits	1,993,319	1,317,860
Stocks on Hand (Note 2)	1,697,778	847,575
Properties Acquired for Resale (Note 3)	6,502,694	6,070,830
TOTAL CURRENT ASSETS	53,107,154	29,284,527
INVESTMENTS (Note 4)	22,437,062	24,104,996
FIXED ASSETS (Note 5)	52,526,503	28,830,210
INTANGIBLE ASSETS (Note 6)	5,572,867	3,629,531
TOTAL ASSETS	133,643,586	85,849,264
LIABILITIES		
CURRENT LIABILITIES		
Bank Overdraft—Secured	4,777,335	2,895,087
—Unsecured	1,697,187	—
Trade Creditors	13,985,509	6,680,969
Other Creditors and Accrued Expenses	12,823,687	4,977,152
Provision for Long Service Leave and Retiring Benefits	983,371	609,686
Provision for Dividend	1,889,485	1,246,400
Provision for Income Tax	4,410,831	4,114,674
Loans (Note 7)	5,444,922	1,686,192
TOTAL CURRENT LIABILITIES	46,012,327	22,210,160
TERM LIABILITIES (Note 8)	48,250,246	32,210,935
MINORITY SHAREHOLDERS' INTEREST	1,147,554	585,937
SHARE CAPITAL & RESERVES		
Authorised Capital		
80,000,000 Shares of 50c each—\$40,000,000		
Issued Capital—fully paid 46,443,114 Ordinary Stock Units of 50c	23,221,557	15,580,000
Share Premium Reserve	9,248,498	8,291,927
Capital Profits Reserve	2,743	2,743
Unappropriated Profits	4,227,990	6,151,807
Associated Companies Reserves (Note 9)	1,532,671	815,755
TOTAL SHARE CAPITAL & RESERVES	38,233,459	30,842,232
TOTAL LIABILITIES, SHARE CAPITAL & RESERVES	133,643,586	85,849,264

Profit and Loss Statement for year ended 30 June 1974

	1974 \$	1973 \$
INCOME		
Interest Received—Subsidiaries	3,016,588	1,567,064
Dividends Received—Other Companies	786,007	822,848
Other Income	327,667	159,458
Entitlement to Profits after tax of		
—Associated Companies (Note 11)	1,288,045	866,517
—Subsidiary Companies (Notes 12 & 25)	4,248,158	4,103,501
	<u>9,666,465</u>	<u>7,519,388</u>
EXPENDITURE		
Interest Paid—Other Companies	1,591,623	997,984
Directors' Fees (Note 14)	15,000	15,000
Auditors' Remuneration (Note 15)	2,000	2,000
Other Expenses	192,612	130,591
	<u>1,801,235</u>	<u>1,145,575</u>
PROFIT BEFORE TAX	7,865,230	6,373,813
Deduct:		
Provision for Taxation (Note 16)	482,127	192,650
PROFIT AFTER TAX	7,383,103	6,181,163
Deduct:		
Extraordinary Items (Note 18)	291,159	180,239
NET PROFIT FOR YEAR	7,091,944	6,000,924
Add:		
Balance from Prior Years	2,601,783	5,344,479
Transfer from Provision for Acme Reorganisation (Note 19)	3,000,000	—
AVAILABLE FOR APPROPRIATION	12,693,727	11,345,403
Deduct:		
Amount Written Off—Investment in Subsidiaries	2,193,476	3,715,762
—Owing by Subsidiaries	1,392,714	—
Transfers to		
—Associated Companies Reserves (Note 9)	716,916	491,488
—Subsidiary Companies Reserves (Note 10)	66,847	2,043,570
—Provision for Acme Reorganisation (Note 19)	3,000,000	—
Dividends		
—Interim 8%	1,409,360	1,246,400
—Proposed Final 8%	1,889,485	1,246,400
TOTAL APPROPRIATIONS	<u>10,668,798</u>	<u>8,743,620</u>
UNAPPROPRIATED PROFITS CARRIED FORWARD	<u>2,024,929</u>	<u>2,601,783</u>
ANALYSIS OF NET PROFIT		
Parent Company	6,308,181	3,465,866
Subsidiaries (in excess of dividends)	66,847	2,043,570
Associated Companies (in excess of dividends)	716,916	491,488
NET PROFIT FOR YEAR	<u>7,091,944</u>	<u>6,000,924</u>

Balance Sheet at 30 June 1974

ASSETS		
	1974 \$	1973 \$
CURRENT ASSETS		
Cash at Bank	1,613	986
Accounts Receivable (Note 1)	1,515,156	1,693,458
Prepayments and Security Deposits	736,932	437,403
Amounts Owing by Subsidiary Companies	46,217,021	33,689,744
TOTAL CURRENT ASSETS	48,470,722	35,821,591
INVESTMENTS (Note 4)	27,789,730	27,928,629
TOTAL ASSETS	76,260,452	63,750,220
LIABILITIES		
CURRENT LIABILITIES		
Bank Overdraft—Secured	375,255	227,337
Other Creditors & Accrued Expenses	473,023	342,632
Provision for Dividend	1,889,485	1,246,400
Provision for Income Tax	57,829	7,664
Loans (Note 7)	438,591	542,894
Amounts Owing to Subsidiary Companies	7,180,986	5,213,706
TOTAL CURRENT LIABILITIES	10,415,169	7,580,633
TERM LIABILITIES (Note 8)	27,611,824	25,327,355
SHARE CAPITAL & RESERVES		
Authorised Capital		
80,000,000 Shares of 50c each—\$40,000,000		
Issued Capital—fully paid 46,443,114 Ordinary Stock Units of 50c	23,221,557	15,580,000
Share Premium Reserve	9,248,498	8,291,927
Capital Profits Reserve	2,308	2,308
Unappropriated Profits	2,024,929	2,601,783
Associated Companies Reserves (Note 9)	1,532,671	815,755
Subsidiary Companies Reserves (Note 10)	2,203,496	3,550,459
TOTAL SHARE CAPITAL & RESERVES	38,233,459	30,842,232
TOTAL LIABILITIES, SHARE CAPITAL & RESERVES	76,260,452	63,750,220

Notes to Accounts

Parent			Consolidated	
1974	1973		1974	1973
\$	\$		\$	\$
NOTE 1				
Accounts Receivable				
Trade			35,975,642	17,613,827
Less Provision			949,918	377,542
1,515,156	1,693,458	Other	35,025,724	17,236,285
			4,458,338	3,231,653
<u>1,515,156</u>	<u>1,693,458</u>	TOTAL ACCOUNTS RECEIVABLE	<u>39,484,062</u>	<u>20,467,938</u>
NOTE 2				
Stocks on Hand				
Valued at Lower of Cost or Replacement			1,697,778	847,575
NOTE 3				
Properties Acquired for Resale				
Acquisition Costs			5,996,629	5,873,318
Development Expenses			28,286	23,286
Holding Charges (Net)			477,779	174,226
TOTAL PROPERTIES ACQUIRED FOR RESALE			<u>6,502,694</u>	<u>6,070,830</u>
NOTE 4				
Investments, Shares				
Subsidiaries				
16,272,036	13,567,199	Subsidiaries—at cost		4,160,147
11,213,128	9,019,652	Less amount written off		—
5,058,908	4,547,547	(Refer Note 24)		4,160,147
2,203,496	3,550,459	Add Equity in undistributed profits		—
7,262,404	8,098,006	(a) represents the equity in the non-consolidated subsidiary Overland Western Ltd., a Canadian corporation, at June 1973.		(a)4,160,147
11,507,645	11,507,645	Listed Securities		
		Associated Company—at cost	11,507,645	11,507,645
		Represents holding of 23.4% in the ordinary capital of Ansett Transport Industries Ltd.		
		Market Value \$8,776,500 (1973 \$9,169,477)		
		The net tangible asset backing at 31 December 1973 was \$11,907,221 (unaudited) and it is the opinion of the directors that there is no permanent diminution in the value of this investment.		
1,039	959	Other Companies—at cost	1,452,367	959
		Market Value Parent \$939 Consolidated \$1,470,738 (1973 \$1,035)		
<u>11,508,684</u>	<u>11,508,604</u>	Non-listed Securities	<u>12,960,012</u>	<u>11,508,604</u>
7,464,970	7,464,970	Associated Companies—at cost	7,464,970	7,464,970
815,755	324,267	Add—Equity in net profit for prior years in excess of dividend received	815,755	324,267
716,916	491,488	Add—Equity in net profit for year in excess of dividend received	716,916	491,488
<u>8,997,641</u>	<u>8,280,725</u>		<u>8,997,641</u>	<u>8,280,725</u>
The proportion of net tangible asset backing is \$8,986,647 (1973 \$8,082,759)				

Parent			Consolidated	
1974	1973		1974	1973
\$	\$		\$	\$
21,001	41,294	Other Companies—at cost	479,409	155,520
		(less parent \$130,679, consolidated \$147,747 written off)		
9,018,642	8,322,019		9,477,050	8,436,245
27,789,730	27,928,629	TOTAL INVESTMENTS, SHARES	22,437,062	24,104,996
		NOTE 5		
		Fixed Assets		
		Motor Vehicles, Plant and Equipment—at cost	42,696,391	21,603,929
		Less Provision for Depreciation	19,022,707	9,588,721
			23,673,684	12,015,208
		Freehold Properties—at cost	21,563,520	10,420,290
		Less Provision for Depreciation	1,434,166	199,561
			20,129,354	10,220,729
		Leasehold Properties—at cost	10,097,277	7,689,844
		Less Provision for Amortisation	1,373,812	1,095,571
			8,723,465	6,594,273
		TOTAL FIXED ASSETS	52,526,503	28,830,210
		NOTE 6		
		Intangible Assets		
		This represents the cost of goodwill, operating rights, franchises and the excess of cost of shares in Subsidiary Companies over their net tangible assets valued at acquisition date	22,332,670	15,389,334
		Deduct Amount Written Off	16,759,803	11,759,803
		TOTAL INTANGIBLE ASSETS	5,572,867	3,629,531
		The Group Intangibles have been reduced by a further \$5,000,000 written off against profits available for appropriation		
		NOTE 7		
		Loans		
		Repayable within 12 months		
		Secured —Bank	3,217,145	590,385
284,572	382,470	—Other	1,443,095	875,383
40,404	42,424	Unsecured—Bank	615,586	42,424
113,615	118,000	—Other	169,096	178,000
438,591	542,894	TOTAL LOANS	5,444,922	1,686,192
		NOTE 8		
		Term Liabilities		
4,548,447	2,865,043	Secured —Bank	10,022,147	8,691,797
14,433,377	12,369,888	—Other	21,451,820	12,664,255
—	42,424	Unsecured—Bank	5,533,290	42,424
—	1,500,000	—Other	269,688	1,638,632
8,000,000	8,000,000	—Convertible Notes (Note 23)	8,000,000	8,000,000
—	—	Provision for Deferred Income Tax	2,043,301	323,827
630,000	550,000	Provision for Currency Exchange Fluctuation	930,000	850,000
27,611,824	25,327,355	TOTAL TERM LIABILITIES	48,250,246	32,210,935

Parent		Consolidated	
1974	1973	1974	1973
\$	\$	\$	\$
NOTE 9			
Associated Companies Reserves			
815,755	324,267	815,755	324,267
1,288,045	866,517	1,288,045	866,517
2,103,800	1,190,784	2,103,800	1,190,784
571,129	375,029	571,129	375,029
1,532,671	815,755	1,532,671	815,755
TOTAL—ASSOCIATED COMPANIES RESERVES			
Represents the Equity in the profits in excess of dividends received from associated companies. Such amount is not available for distribution until received by way of dividend. This amount has been added to the cost of the investment in line with the equity method (refer Note 4).			
NOTE 10			
Subsidiary Companies Reserves			
3,550,459	1,791,127		
4,248,158	4,103,501		
7,798,617	5,894,628		
4,181,311	2,059,931		
3,617,306	3,834,697		
1,413,810	284,238		
2,203,496	3,550,459		
TOTAL—SUBSIDIARY COMPANIES RESERVES			
Represents the equity in the undistributed profits of subsidiary companies. Such amount is not available for distribution until received by way of dividend. This amount has been added to the cost of the investment in line with the equity method (refer Note 4).			
NOTE 11			
Profits of Associated Companies			
The Group adopts the equity method to account for its entitlement to the profits of unlisted associated companies. Bulkships Limited—33.3%; TNT-Shulman Airfreight International Pty. Ltd.—50%; Queensland Railfast Express Pty. Ltd.—50%; Montan-TNT Pty. Ltd.—33.3%; ACTU-TNT Travel Pty. Ltd.—50%;			
1,288,045	866,517	1,551,230	1,424,022
—	—	628,051	756,379
1,288,045	866,517	923,179	667,643
—	—	23,082	7,089
1,288,045	866,517	900,097	660,554
—	—	387,948	205,963
1,288,045	866,517	1,288,045	866,517
NET PROFIT FOR YEAR			

Parent		Consolidated	
1974	1973	1974	1973
\$	\$	\$	\$
NOTE 16			
Provision for Taxation			
Attributable to Current Year			
482,057	192,650	482,057	192,650
—	—	5,842,181	4,551,945
Attributable to Other Years			
70	—	70	—
—	—	663,147	—
—	—	628,051	756,379
<u>482,127</u>	<u>192,650</u>	TOTAL	
		<u>7,615,506</u>	<u>5,500,974</u>
The income tax attributable to the current year has been calculated in accordance with the rates applying in the countries where the Group operates and is influenced by the varying rates of tax payable on profits earned in overseas countries.			
The income tax charge varies from the prima facie tax charge on pre-tax profits because of the following amounts which are either wholly or partially rebatable as income or non-allowable as a deduction depending on the tax regulations in the country where they are received or incurred.			
Increase in taxation arising from			
		112,428	
		98,572	
		283,142	
		—Doubtful Debts	112,750
		—Holiday Pay	241,536
		2,448,492	
		221,075	
456		3,517,995	
<u>456</u>			
Decrease in taxation arising from:			
4,181,311			
1,357,136		1,357,174	
775,312		775,312	
<u>6,313,759</u>		<u>2,132,486</u>	

NOTE 17

Interest of Minority Shareholders

Subsidiary Companies	36,091	128,258
Associated Companies	23,082	7,089
TOTAL	<u>59,173</u>	<u>135,347</u>

Is made up of the entitlement of minority shareholders to profits of subsidiary and associated companies.

Parent		Consolidated	
1974	1973	1974	1973
\$	\$	\$	\$
NOTE 18			
Extraordinary Items			
The results of the Group include non-trading amounts which have been shown under the heading "Extraordinary Items"			
Parent and Subsidiaries			
—	—	26,682	6,972
(153,002)	(175,282)	1,198	271,190
(5,704)	(4,957)	140,577	(4,957)
(130,679)	—	(147,747)	—
(1,774)	—	6,828	(35,142)
—	—	387,948	205,963
<u>(291,159)</u>	<u>(180,239)</u>	<u>415,486</u>	<u>444,026</u>
		NET SURPLUS/(LOSS)	
		<u>415,486</u>	<u>444,026</u>
The extraordinary items are surpluses or losses, arising from fluctuations in foreign currencies, sale of investments, other non-trading items, less \$80,000 (1973 \$850,000) transferred to provision for foreign exchange fluctuations.			
NOTE 19			
Provision for Acme Reorganisation			
\$3,000,000 was set aside following the acquisition of Acme Fast Freight Inc. on August 1, 1973 to cover anticipated future losses. The amount has now been written back to unappropriated profits. Further particulars are detailed in the Directors' Report.			
NOTE 20			
Contingent Liabilities			
Parent and Subsidiaries			
113,000	111,000	143,000	116,450
1,762,059	1,661,127	2,173,360	1,696,361
861,952	844,854	845,612	848,370
<u>2,737,011</u>	<u>2,616,981</u>	<u>3,161,972</u>	<u>2,661,181</u>
In addition, the Parent Company has secured and unsecured guarantees outstanding for liabilities of subsidiaries.			
The contingent liabilities of the Parent Company include unsecured guarantees of \$1,696,280 given for borrowings of associated companies.			
NOTE 21			
Capital Expenditure Commitments			
Commitments not elsewhere provided			
—	—	5,629,375	3,246,671
<u>—</u>	<u>—</u>	<u>5,629,375</u>	<u>3,246,671</u>
NOTE 22			
Foreign Currency			
The accounts of non-Australian subsidiaries and borrowings in currencies other than the country in which the company operates, have been converted at the rates quoted on 30 June 1974. Foreign currencies which have been converted for the purpose of preparing the consolidated accounts are: Brazilian Cruzeiros, Canadian Dollars, English Pounds, French Francs, Hong Kong Dollars, Mexican Pesos, New Zealand Dollars, Singapore Dollars, Swiss Francs and United States Dollars.			

NOTE 23

Convertible Notes—Unsecured

Convertible Noteholders have the right to convert each three \$1.00 notes held into one 50c share in Thomas Nationwide Transport Limited.

The holders can exercise their right of conversion during nominated periods commencing 28 February 1975, and ending either 30 March 1980, for Seven Year Notes, or 28 February 1983, for Ten Year Notes, or at a prior date in the event of the Company determining to make a bonus issue of shares to its stockholders.

Noteholders are also entitled, as if their notes had been converted, to rank pari passu with stock and option holders in any new issue of ordinary shares or options made for cash.

NOTE 24

INVESTMENT BY PARENT COMPANY IN SUBSIDIARIES

COMPANY	Class of Share	Owned by Parent %	Investment of Parent \$	Dividend Received by Parent \$
Alltrans (Holdings) Pty. Ltd.	Ordinary	100	10,000	5,234
	Preference	100	5,000	350
Alltrans Seatons Pty. Ltd.	Ordinary	100	100,000	2,084
Alltrans Storage (S.A.) Pty. Ltd.	Ordinary	100	300	3,400
	Preference	—	—	—
Armed Security Pty. Ltd.	Ordinary	100	19,203	—
Comet Transport Investments Pty. Ltd.	Ordinary	100	49,004	3,430
	Preference	—	—	—
Hawthorn Investments Pty. Ltd.	Ordinary	100 }	1	—
	Preference	100 }	—	—
Kwikasair Investments Pty. Ltd.	Ordinary	100	1	—
Primera Pty. Ltd.	Ordinary	100	1,000	—
	Preference	—	—	—
TNT Allied Pty. Ltd.	Ordinary	100	1	—
TNT Bulk Cartage Ltd.	Ordinary	100	990	266,719
	Preference	100	4,010	281
TNT Cousins Pty. Ltd.	Ordinary	100	1,010	—
TNT Customs Ltd.	Ordinary	100	1,773,975	313,000
TNT Distribution Centre Pty. Ltd.	Ordinary	100	402,000	32,800
TNT Ferryden Pty. Ltd.	Ordinary	100	500,000	—
TNT Holdings Pty. Ltd.	Ordinary	100	100,000	941,000
TNT Investments Pty. Ltd.	Ordinary	100	1,000	—
TNT Investments S.A. Pty. Ltd.	Ordinary	100	300,000	—
TNT Lawson Square Pty. Ltd.	Ordinary	100	100	—
TNT Management Pty. Ltd.	Ordinary	100	100,000	2,500,000
TNT N.Q.X. Pty. Limited	Ordinary	100	82,000	73,000
TNT Operations Vic. Pty. Ltd.	Ordinary	100	80,000	—
TNT Special Investments Pty. Ltd.	Ordinary	100	8	—
Universal Parcel Service Pty. Ltd.	Ordinary	100	8,000	—
Woods Properties Pty. Ltd.	Ordinary	100	12,000	10,440
	Preference	100	8,000	560
TNT Transportes Ltda.	Ordinary	100	1,003,086	—
Alltrans Holdings (Canada) Ltd.	Common	100 }	—	—
	Preference	100 }	1	—
TNT Transport (N.Z.) Ltd.	Ordinary	100	463,315	2,927
Alltrans Group (N.Z.) Ltd.	Ordinary A	50 }	—	—
	Ordinary B	19.4 }	1	—
Alltrans Express (Singapore) Pte. Ltd.	Ordinary	94.1	28,253	—
Alltrans Express Ltd.	Ordinary	70	1	—
Alltrans Inc.	Common	100	1	—
T.N.T. (H.K.) Ltd.	Ordinary	100	6,647	—
Port Phillip R.S.S.S. Co. Ltd. (Liquidator's distribution)			—	26,086
			<u>5,058,908</u>	<u>4,181,311</u>

NOTE 25

CONTRIBUTION TO CONSOLIDATED RESULTS AND PARTICULARS OF SUBSIDIARY COMPANIES

	STATE/COUNTRY OF INCORPORATION	CONTRIBUTION TO CONSOLIDATED RESULTS
INCORPORATED & CARRYING ON BUSINESS IN AUSTRALIA		
Thomas Nationwide Transport Limited	A.C.T.	2,126,870
AUDITED BY AUDITORS OF PARENT COMPANY		
Armed Security Pty. Limited	W.A.	581
Alltrans Cartage Pty. Limited	N.S.W.	992
Alltrans (Holdings) Pty. Limited	N.S.W.	(17,068)
Alltrans Seatons Pty. Limited	N.S.W.	—
Alltrans Storage (S.A.) Pty. Limited	N.S.W.	2,225
Comet Transport Investments Pty. Limited	N.S.W.	6,899
Hawthorn Investments Pty. Limited	N.S.W.	—
Kent Printing Pty. Limited	N.S.W.	—
Kwikasair Investments Pty. Limited	N.S.W.	2,604
Primera Pty. Limited	N.S.W.	—
Roadfast (Vic.) Pty. Limited	Vic.	—
Sealand Transport Pty. Limited	N.S.W.	—
TNT-NQX Pty. Limited	N.S.W.	823
TNT Adelaide Pty. Limited	S.A.	—
TNT Allied Pty. Limited	N.S.W.	—
TNT Bulk Cartage Limited	N.S.W.	9,392
TNT Canberra Pty. Limited	A.C.T.	7,632
TNT Cousins Pty. Limited	N.S.W.	—
TNT Customs Limited	N.S.W.	23,272
TNT Darwin Pty. Limited	N.T.	—
TNT Distribution Centre Pty. Limited	N.S.W.	32,009
TNT Ferryden Pty. Limited	S.A.	18,990
TNT Holdings Pty. Limited	A.C.T.	33,296
TNT Investments Pty. Limited	A.C.T.	—
TNT Investments N.S.W. Pty. Limited	N.S.W.	—
TNT Investments Qld. Pty. Limited	Qld.	7,710
TNT Investments S.A. Pty. Limited	Vic.	—
TNT Investments Vic. Pty. Limited	Vic.	—
TNT Investments W.A. Pty. Limited	W.A.	—
TNT Lawson Square Pty. Limited	N.S.W.	549
TNT Management Pty. Limited	N.S.W.	4,218,851
TNT Operations N.S.W. Pty. Limited	N.S.W.	—
TNT Operations Vic. Pty. Limited	Vic.	1,027
TNT Properties N.S.W. Pty. Limited	N.S.W.	1,941
TNT Properties Qld. Pty. Limited	Qld.	3,324
TNT Properties S.A. Pty. Limited	S.A.	5,546
TNT Properties Vic. Pty. Limited	Vic.	473
TNT Properties W.A. Pty. Limited	W.A.	451
TNT Redfern Pty. Limited	N.S.W.	360
TNT Special Investments Pty. Limited	A.C.T.	—
TNT Superannuation Pty. Limited	N.S.W.	—
TNT Tasmania Pty. Limited	Tas.	1,394
TNT Transport (Qld.) Pty. Limited	Qld.	7,888
TNT Wollongong Pty. Limited	N.S.W.	2,632
Tasmanian Investments Pty. Limited	Tas.	8,077
Thomas Nationwide Transport (Vic.) Pty. Limited	Vic.	717
Universal Parcel Service Pty. Limited	N.S.W.	—
Woods Properties Pty. Limited	Qld.	10,772
INCORPORATED & CARRYING ON BUSINESS IN PANAMA		
Transport Development Finance Corporation S.A.	Panama	3,261
AUDITED BY OTHER AUDITORS		
INCORPORATED & CARRYING ON BUSINESS IN AUSTRALIA		
Alltrans Southern Express Pty. Limited	N.S.W.	5,168
INCORPORATED & CARRYING ON BUSINESS IN BRAZIL		
Kwikasair Encomendas Urgentes Ltda.	Brazil	(11,716)
Organizacao Total De Transportes Limitada	Brazil	—
TNT Transportes Limitada	Brazil	21,122
Transportadora Pampa S.A.	Brazil	281,323
Transportadora Roda Branca Limitada	Brazil	5,728
Transportes Ristar S.A.	Brazil	54,326

Note 25

	STATE/COUNTRY OF INCORPORATION	CONTRIBUTION TO CONSOLIDATED RESULTS
INCORPORATED & CARRYING ON BUSINESS IN CANADA		
Acme Fast Freight Canada Limited	Ontario	2,746
Alltrans Express Limited	British Columbia	132,279
Alltrans Forwarding Limited	British Columbia	—
Alltrans Holdings (Canada) Limited	British Columbia	55,865
Alltrans Holdings (Ontario) Limited	Ontario	(978)
Carson Truck Lines Limited	British Columbia	6,328
Champlain Sept. Isles Express Inc.	Quebec	(38,790)
Eastern Asbestos Interprovincial Inc.	Quebec	19,752
Kwikasair Limited	Quebec	144,593
Montmorency Diesel Inc.	Quebec	(7,061)
Overland Western Limited	Ontario	635,310
Oxford Tire Limited	Ontario	1,432
Sabre Freight Lines Limited	British Columbia	—
Transall Motor Freight Limited	British Columbia	—
Trojan Freight Lines Limited	Ontario	41,364
INCORPORATED & CARRYING ON BUSINESS IN FRANCE		
Kwikasair (France) S.A.	France	(345,896)
INCORPORATED & CARRYING ON BUSINESS IN HONG KONG		
T.N.T. (H.K.) Limited	Hong Kong	-
INCORPORATED & CARRYING ON BUSINESS IN MEXICO		
Fletes Acme S.A.	Mexico	40,955
INCORPORATED & CARRYING ON BUSINESS IN NEW ZEALAND		
Alltrans Freight Limited	New Zealand	198,292
Alltrans Group (N.Z.) Limited	New Zealand	28,798
Comet Express (N.Z.) Limited	New Zealand	—
Inter-Island Parcel Express (IPEC) Limited	New Zealand	—
Kwikasair Express N.Z. Limited	New Zealand	—
Rudders Customs & Shipping (N.Z.) Limited	New Zealand	11,598
TNT Transport (N.Z.) Limited	New Zealand	237,888
INCORPORATED & CARRYING ON BUSINESS IN SINGAPORE		
Alltrans Express (Singapore) Pte. Limited	Singapore	(22,007)
INCORPORATED & CARRYING ON BUSINESS IN UNITED KINGDOM		
Alltrans Express Limited	United Kingdom	—
Kwikasair Limited	United Kingdom	(548,303)
INCORPORATED & CARRYING ON BUSINESS IN U.S.A.		
Acme Fast Freight Inc.	Delaware	52,352
Alltrans Express California Inc.	California	(1,115,414)
Alltrans Forwarders Inc.	California	—
Alltrans Incorporated	California	(69,184)
Champion Leasing Corporation	California	—
G.W.A. Inc.	New York	6,037
Overland Express Inc.	New York	3,643
Overland Western International Inc.	Michigan	28,188
Victory Transportation Service Inc.	California	(4,200)
Parent and Subsidiaries		6,375,028
Associate Companies (in excess of Dividend Received)		716,916
	NET PROFIT FOR YEAR	7,091,944

Consolidated Statement of Source and Application of Funds for year ended 30 June 1974

	1974 \$	1973 \$
FUNDS WERE PROVIDED BY		
Operations:—		
Net Profit for Year	7,091,944	6,000,924
Less		
Equity in Profits of Associated Companies	716,916	491,488
	<u>6,375,028</u>	<u>5,509,436</u>
Add		
Depreciation and Amortisation, and Other Non-Cash Items	4,729,916	2,832,589
Deferred Income Tax	1,719,474	62,516
	<u>12,824,418</u>	<u>8,404,541</u>
Funds from Operations		
	12,824,418	8,404,541
Sale of — Investments	408,926	15,101
— Properties	85,164	23,959
— Equipment	802,082	1,037,615
Proceeds from — Term Borrowings	16,607,438	14,433,460
— Issue of Shares	8,598,128	1,730,000
Increase in Minority Interests	561,617	262,471
	<u>39,887,773</u>	<u>25,907,147</u>
Total Funds Provided		
	39,887,773	25,907,147
FUNDS WERE USED FOR		
Purchase of — Properties	12,328,045	5,048,450
— Equipment	16,837,663	5,012,403
— Goodwill and Intangibles	6,943,336	1,116,178
Decrease in — Term Borrowings	2,287,601	2,691,920
— Deferred Creditors	—	200,000
Investment in — Associated Companies	258,374	76,547
— Overland Western Ltd.*	(4,160,147)	4,160,147
— Other Securities	2,073,596	56,445
Payment of Dividend	2,655,760	2,354,400
	<u>39,224,228</u>	<u>20,716,490</u>
Total Funds Applied		
	39,224,228	20,716,490
WORKING CAPITAL INCREASE	<u>663,545</u>	<u>5,190,657</u>

* At June 1973 Overland Western Ltd. was a non-consolidated subsidiary company and the current year's statement reflects the detailed breakdown of assets acquired.

Corporate Ownership

In order to comply with the requirements of the Australian Associated Stock Exchanges we set out hereunder for your information details of Corporate Ownership as at 4 September 1974.

1. Number of holders for each quoted class of security:	
Ordinary Stock	7,200
1974 Options	523
1975 Options	520
7¼ % Unsecured Convertible Notes— March 1980	44
7¼ % Unsecured Convertible Notes— February 1983	14
2. Percentage of holdings held or on behalf of largest 20 holders of each class of quoted security:	
Ordinary Stock	61.3%
1974 Options	49.4%
1975 Options	40.2%
7¼ % Unsecured Convertible Notes— March 1980	85.0%
7¼ % Unsecured Convertible Notes— February 1983	100.0%

3. Distribution of holders:

	Ordinary Stock	1974 Options	1975 Options	7¼ 1980 UCN	7¼ 1983 UCN
1- 1000	4,758	512	510	2	
1001- 5000	1,955	10	9	5	
5001-10000	210	1	1	4	
10001 and over	277	—	—	33	14
	<u>7,200</u>	<u>523</u>	<u>520</u>	<u>44</u>	<u>14</u>

4. Substantial Shareholders:

Australian Mutual Provident Society G.P.O. Box 2527 Sydney, N.S.W. 2001	3,926,295
Australian Mutual Provident Society No. 2 Account	892,749

Principal Offices

Australia

Group Head Office
12-18 Burrows Road,
St. Peters, N.S.W. 2044.
Telephone: 519 6741.
Telex: 26414.

Overseas

New Zealand

Alltrans Group (N.Z.) Limited,
4 Quay Street,
Auckland.
Telephone: 32 799.
Telex: 2542.

U.S.A.

Alltrans Incorporated,
840 Hinckley Road,
Burlingame, Calif. 94010.
Telephone: (415) 692 5500.
Telex: 910349337

Canada

Alltrans Group of Canada Ltd.,
4878 Manor Street,
North Burnaby, B.C.2.
Telephone: (604) 291 6211.
Telex: 04508-711.

Brazil

Pampa-O.T.T.,
Praca Louveira 83,
Tatuape, Sao Paulo.
Telephone 295 1564.

Singapore

Alltrans Express (Singapore) Private Limited,
Room 103, Central Building,
1-2 Magazine Road,
Singapore.
Telephone: 91 9011.

United Kingdom

Kwikasair Ltd.,
Rockware Avenue,
Greenford, Middlesex.
Telephone: 015789151.
Telex: 935389.

Associated Companies

BULKSHIPS LIMITED

TNT increased its interest in Bulkships Limited in July 1974, from 33½% to 50%, following the purchase of shares from Adelaide Steamship Company and McIlwraith McEacharn Limited. This transaction reflects TNT's confidence in the Shipping Industry and in the Management of Bulkships Limited.

THE UNION STEAMSHIP CO. OF NEW ZEALAND LIMITED

Owned jointly by the Bulkships Group and a consortium of major New Zealand Companies, the Union Steamship Company has extensive plans to replace its present fleet of conventional vessels on the Trans Tasman route with roll-on, roll-off vessels. At present the Union Company has four Ro-Ro vessels under construction by BHP at the Whyalla Ship Yard, the first of these vessels is due for delivery in January, 1975. In addition to their construction programme the Union Company is expanding its fleet by chartering additional Ro-Ro vessels and bulk carriers. It is anticipated that before the end of 1976 the Union Steamship Company will have the largest and most modern fleet of Ro-Ro vessels in the world.

SEATAINER TERMINALS LIMITED

Jointly owned by Bulkships Limited and Overseas Containers Limited, this Company continued to trade at a satisfactory profit level.

R. W. MILLER (HOLDINGS) LIMITED

Bulkships Limited owns in excess of 25% of this well established Company.



M.V. Maheno—Union Co.



Seatainer Terminals Ltd.—White Bay Terminal, Sydney



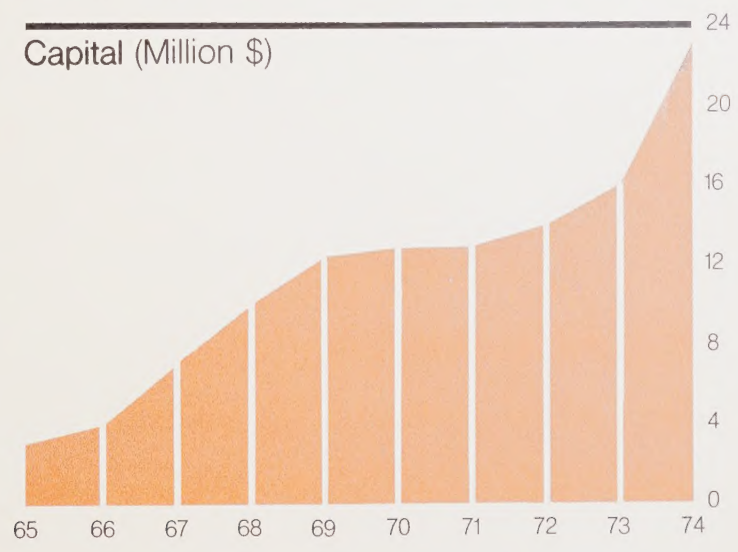
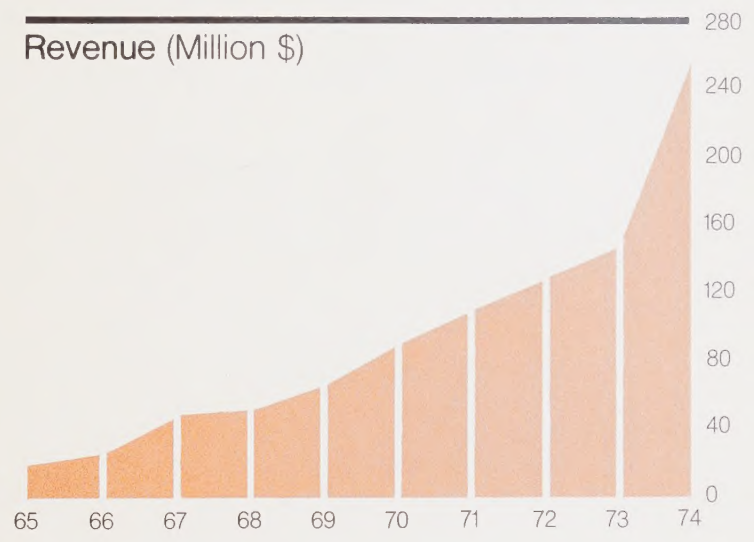
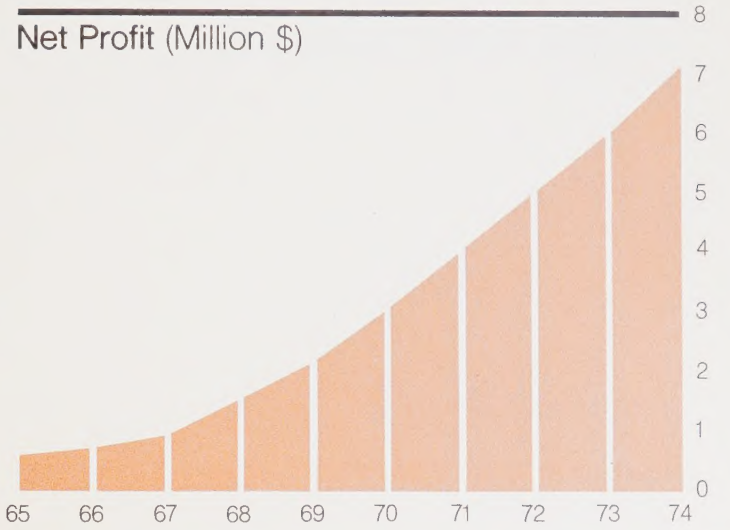
Ansett Electrafreighter.

Historical Summary

	1974	1973	1972	1971	1970	1969
INCOME ITEMS						
Revenue \$'000	252,156	140,990	122,390	102,803	80,596	58,858
Profit before Tax \$'000	14,351	11,193	9,421	6,961	5,948	4,029
Net Profit \$'000	7,092	6,001	4,832	3,754	3,119	2,225
Net Profit to Revenue %	2.8	4.3	3.9	3.7	3.9	3.8
Net Profit to Average Paid Capital %	36.4	40.8	37.5	30.2	25.1	21.7
Net Profit to End-of-Year Capital %	30.5	38.5	34.9	30.2	25.1	18.4
Earnings per 50c share	15.3c	19.3c	17.5c	15.1c	12.5c	9.2c
Net Profit to Shareholders' Funds %	18.5	19.5	16.3	13.2	11.7	12.5
Net Profit to Total Assets %	5.3	7.0	6.9	6.4	6.2	6.3
Dividend %	16.0	16.0	16.0	16.0	14.0	12.0
Dividend per Stock Unit	8c	8c	8c	8c	7c	6c
ASSET ITEMS						
Total Tangible Assets \$'000	128,071	82,220	63,317	45,418	38,495	28,539
Shareholders' Funds \$'000	38,233	30,842	29,604	28,372	26,607	17,769
End-of-Year Paid Up Capital \$'000	23,222	15,580	13,850	12,435	12,435	12,100
Net Tangible Assets \$'000	32,660	27,213	23,091	14,632	14,398	10,798
Net Tangible Assets per Stock Unit	70c	87c	83c	59c	58c	45c
SHARE & OPTION ISSUES						
	1 for 10 issue at \$1.25. 1 for 10 bonus 1 for 30 issue at par (Noteholders only)	1 for 10 at par (Share)	—	—	1 for 8 at \$0.60 and 1 for 10 at \$1.00 (Option)	1 for 8 at \$1.25 and 1 for 5 bonus (Share)

1968	1967	1966	1965
49,141	46,791	19,000	17,801
2,331	1,581	1,120	1,079
1,512	954	677	625
3.1	2.0	3.6	3.5
22.7	23.1	21.7	23.1
17.0	16.1	21.3	21.6
8.5c	8.1c	10.7c	10.8c
10.8	7.1	13.0	13.6
5.8	3.4	5.8	6.3
12.0	12.0	12.0	11.0
6c	6c	6c	5.5c

21,461	23,594	10,832	9,199
13,991	13,368	5,213	4,610
8,887	5,925	3,176	2,888
9,466	9,122	4,397	3,894
53c	77c	69c	67c
1 for 2 bonus (Share)	—	—	1 for 10 at par (Share)



General Information

PRINCIPAL ACCOUNTING OFFICER AND GROUP CHIEF ACCOUNTANT

A. E. Eltoft

SECRETARIES

R. T. Patteson

S. G. East

REGISTERED OFFICE

C/- Hungerfords,
6th Floor
City Mutual Building,
Hobart Place,
Canberra, A.C.T. 2601.

SHARE REGISTRY OFFICES

Australia

Principal Register,
C/- Commonwealth Trading Bank of Australia,
Stock and Share Department,
Cnr. London Circuit and Ainslie Avenue,
Canberra City, A.C.T. 2601.

Overseas

Branch Register
Canada Permanent Trust Company,
Yonge-Eglinton Centre,
20 Eglinton Avenue, W.,
Toronto, Ontario, M4R2E2, Canada.

BANKERS

Commonwealth Trading Bank of Australia,
Cnr. Pitt Street & Martin Place,
Sydney, N.S.W. 2000.

SOLICITORS

Allen, Allen & Hemsley,
P. & O. Building,
2 Castlereagh Street,
Sydney, N.S.W. 2000.

Davis King & Company,
27th Level, Australia Square,
George Street,
Sydney, N.S.W. 2000.

AUDITORS

Hungerfords,
167 Macquarie Street,
Sydney, N.S.W. 2000.

Thomas Nationwide Transport Limited

TNT 1974
ANNUAL REPORT